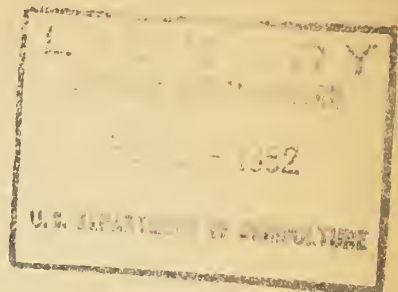


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UNITED STATES DEPARTMENT OF AGRICULTURE
PRODUCTION AND MARKETING ADMINISTRATION
DAIRY BRANCH



INSERTS
FOR
SUMMARIES
FLUID MILK MARKETING ORDERS

Revised to December 1, 1951
and

Federal Register Citations
for the Milk Price Orders

The attached are inserts to be substituted for the corresponding pages in the Summaries of Fluid Milk Marketing Orders, April 1, 1948, and Federal Register Citations for the milk price orders. These inserts revise the Federal orders as effective on December 1, 1951. The last insert was issued on November 1, 1951.

Note: Effective December 1, 1951, the milk marketing order for Quad Cities, Iowa-Illinois, (Order No. 44) and the order for Clinton, Iowa, (Order No. 70) were combined. The summary of Order No. 70, pages 96 through 99, has been deleted.

Agriculture - Washington

(12/1/51)

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St. Louis, Missouri

Marketing Area:

Missouri - City of St. Louis, and St. Louis County.

Illinois - Scott Military Reservation, City of Belleville, and Townships of East St. Louis, Centreville, Canteen, and Stites in St. Clair County.

Handler:

Person who operates a plant approved by health authorities in the marketing area which receives milk of producers and from which packaged milk, skim milk or cream is disposed of as Class I milk in the marketing area (i.e., city plant) or a plant which is approved to furnish producer milk to a city plant (i.e., country plant).

Producer:

Person who produces Grade A or Grade B milk, under dairy farm permit issued by a health authority of the marketing area, which milk is received at a city or country plant or diverted from such plant during March through September.

Classification:

Class I - Fluid milk, skim milk, buttermilk, milk drinks (plain or flavored), cream (fresh, frozen, or sour); concentrated (fresh or frozen) milk, flavored milk, or flavored milk drink for fluid consumption, not sterilized; and milk not accounted for as Class II.

Class II - Products other than those specified in Class I, plant shrinkage of producer milk not in excess of 2 percent of receipts from producers, plant shrinkage in "other source" milk, and milk, skim milk, or cream disposed of in bulk to retail establishments which are permitted to utilize other than Grade A milk for non-fluid purposes if such milk is actually disposed of in other than fluid form.

Class Prices (3.5 percent butterfat):

A "basic formula" price is used for determining a Class I price. The "basic formula" price is the higher of:

- (1) Average of prices paid for 3.5 percent milk at 23 specified plants (18 used in Chicago order plus 5 others in Illinois and Missouri);

- (2) Chicago 92-score butter, times 3.5, times 1.2, plus or minus 3.5 cents for each half cent that the average price per pound of nonfat dry milk solids (carlots, spray and roller process, human consumption, f.o.b. manufacturing plants in the Chicago area) is above or below 5.5 cents. (If prices for nonfat dry milk solids f.o.b. manufacturing plants are not available, use prices of nonfat dry milk solids delivered at Chicago in which event the "make" allowance is 7.5 cents.)

Class I - "Basic formula" price for the preceding delivery period plus \$1.45 for the delivery periods July through December; plus \$1.15 for the delivery periods January through March; and plus 75 cents for delivery periods April through June.

If during the 12-month period prior to the month immediately preceding each of the following delivery period groups, the total volume of milk received from producers by handlers is more or less than 120 percent of Class I milk disposed of by handlers during such 12-month period, (excluding data from any handlers who did not have producer receipts and Class I sales in each of the months, September through February) the following adjustments are made to the Class I price.

Delivery period groups	For each percentage point that receipts from producers as a percent of Class I milk is	
	Below 120 percent (add)	Above 120 percent (subtract)
	<u>Cents</u>	<u>Cents</u>
January through March	2	3
April through June	0	3
July through December	3	3

The Class I differential during December 1951 shall be \$1.80.

Class II - Same as "basic formula" price.

Butterfat Differentials:

Class Prices -

Class I - Chicago 92-score butter times 0.125.

Class II - Chicago 92-score butter times 0.12.

Producer Price - Same as Class II.

Location Differentials:

Class Prices - For milk received at plants outside a specified portion of the marketing area which is classified as Class I, the following location differentials apply:

Within 10 miles.	6 cents
10 to 20 miles12 cents
20 to 30 miles14 cents
30 to 40 miles16 cents
Each 10-mile zone thereafter	an additional 1 cent

Producer Price - Same as above except differentials apply to all milk.

Method of Accounting for Milk:

Weights of skim milk and butterfat are compiled separately as used in each class.

Type of Pool:

Individual handler, monthly pool, without base rating plan or new producer clause.

Interhandler Transfers:

Milk, skim milk, and cream disposed of by a handler to another handler is Class I. Handlers are permitted to classify as Class II by submitting written agreement to the market administrator except that the amount classified in Class II is limited to the amount remaining in Class II after the subtraction of "other source" milk.

Operators of country plants may transfer title to milk and it may be classified as Class I and Class II milk up to the same proportions as that allocated to milk received directly from producers by the transferring handler.

Milk or cream transferred to a producer-handler is Class I.

Outside Purchases:

Ungraded milk disposed of as non-grade A fluid milk outside the marketing area, is deducted from Class I. Remaining outside milk is deducted in series beginning with lowest price use.

Outside Sales:

Under specified conditions milk transferred to non-handlers not more than 110 miles from St. Louis or within certain counties in Missouri may be classified as Class II milk. Milk or cream transferred outside of this area is Class I milk.



Ungraded milk from outside sources and sold as fluid milk outside the marketing area is unpriced. Other milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from regulatory provisions. Reports may be required by market administrator.

Expense of Administration:

Handlers pay administrative cost not to exceed $2\frac{1}{2}$ cents per hundredweight.

Special Producer Provisions:

Deductions as authorized by members are turned over to cooperative associations.

A marketing service charge not to exceed 5 cents is deducted for non-members.

Special Handler Provisions:

If a handler accounts for more milk disposed of (after making deductions for receipts from other handlers, etc.) than he accounts for as received from producers the value of such additional milk is included in the handler's uniform price.

Handlers are prohibited from indulging in unfair methods of competition with respect to supplying goods and services to producers.

On any ungraded milk sold as Class I in the marketing area, the handlers must pay the difference between the Class I and Class II prices.

Any handler who disposes of a greater portion of his milk as Class I under another Federal order than under this order is subject only to such reporting requirements as may be imposed by the market administrator.

- (2) Price per pound of Chicago 92-score butter, times 6, plus 2.4 times the average price per pound of Plymouth Twins (or Cheddars), divided by 7, times 1.3, times 4.
- (3) Price per pound of Chicago 92-score butter, minus 3 cents, times 1.2, times 4, plus an amount computed as follows:
Average price per pound of nonfat dry milk solids (carlots, spray and roller process, human consumption, f.o.b. manufacturing plants in Chicago area), minus 5.5 cents, times 8.5, times .96.

Class I - Basic formula price plus: 60 cents during April through June; \$1.15 during October through December; \$1.00 during all other months; subject to a "Supply-demand" adjustment computed from a utilization percentage, i.e., the percentage which Class I sales are of producer receipts during the first and second preceeding months. From this current utilization percentage there is subtracted a standard utilization percentage as follows:

<u>Month</u>	<u>Percent</u>	<u>Month</u>	<u>Percent</u>	<u>Month</u>	<u>Percent</u>
January	86	May	68	September	61
February	82	June	60	October	70
March	78	July	54	November	81
April	73	August	56	December	87

The resulting net utilization percentage is converted to a specific price adjustment in accordance with a tabulated schedule of premiums and discounts which average 3 cents per net utilization percent during January, February, March, August, and September, 2-cent premium and 4-cent discount during April through July, and 4-cent premium and 2-cent discount during October through December.

Class II - Same as basic formula price.

Butterfat Differentials:

Class I - Price per pound of Chicago 92-score butter, times 1.3, divided by 10.

Class II - Price per pound of Chicago 92-score butter, times 1.15, divided by 10.

Producer Price - Price per pound of Chicago 92-score butter, times 1.15, divided by 10.

Location Differentials:

None.

Method of Accounting for Milk:

Weights of butterfat and skim milk are computed separately as used in each class.

FEDERAL MILK ORDER NO. 44

Quad Cities (Iowa-Illinois)

Marketing Area:

Iowa - Cities of Davenport, Bettendorf, Clinton, and Comanche; a portion of Comanche township in Clinton County; and the townships of Davenport, Rockingham, and Pleasant Valley in Scott County.

Illinois - Cities of Rock Island, Moline, East Moline, and Silvis, and townships of South Moline, Moline, Blackhawk, Coal Valley, Hampton, and South Rock Island in Rock Island County.

Handler:

Person who receives milk at a plant (a) from which milk is disposed of as Class I in the marketing area, (a city plant), (b) located in the marketing area and owned by a cooperative association, or (c) a plant regularly shipping Grade A milk to a city plant. A producers' association is a handler with respect to milk which it causes to be delivered to a plant as specified above and with respect to milk it causes to be diverted from such a plant to a plant from which no Class I milk is distributed in the marketing area.

Producer:

Person who produces Grade A milk which is delivered to a plant or to a cooperative association as specified under "Handler."

Classification:

Class I - All butterfat and skim milk (including reconstituted skim milk) disposed of as fluid milk, skim milk, buttermilk, flavored milk, flavored milk drinks, cream or cream mixtures containing over 6% butterfat; used to produce concentrated milk, unsterilized, for fluid consumption; and unaccounted for milk.

Class II - Evaporated milk, condensed milk, ice cream, ice cream mix, cottage cheese, yoghurt, aerated products, any milk or cream product not specified in Class I or Class III and bulk disposition to bakeries, candy manufacturers or soup companies.

Class III - Animal feed, butter, cheddar cheese, casein, nonfat dry milk solids, shrinkage not over two per cent of receipts of milk received from producers, cooperative associations of producers, and emergency milk, and all shrinkage on "other source" milk.

Class Prices (3.5 per cent butterfat):

Class I - The Class II price for the previous delivery period plus 75 cents during May and June, \$1.15 during July through November, and 95 cents during December through April, except that in no event shall the Class I price be lower than the Class I price under the Chicago order, 70 mile zone, plus 20 cents.

Class II - The higher of:

- (1) Average of prices paid for 3.5 per cent milk for last half of preceding month and first half of current month, at the following plants:

<u>Present Operator</u>	<u>Location</u>
Amboy Milk Products Company	Amboy, Illinois
Borden Company	Dixon, Illinois
Borden Company	Sterling, Illinois
Carnation Company	Morrison, Illinois
Carnation Company	Oregon, Illinois
Carnation Company	Waverly, Iowa
United Milk Products Company	Argo Fay, Illinois

- (2) Chicago 92-score butter multiplied by 6,
PLUS

Chicago "Twins" multiplied by 2.4;
Divide the above sum by 7 and multiply by 4.55.

Class III - The higher of the following:

- (1) 2.4 times the average of the weekly price of "Cheddars" at Plymouth, Wisconsin times 3.5;
- (2) 92-score butter at Chicago less 6 cents, times 1.2, times 3.5 PLUS price per pound of nonfat dry milk solids, (carlots, spray and roller process, for human consumption, f.o.b. manufacturing plants in the Chicago area) less $6\frac{1}{2}$ cents, times 8.2, times 0.965. If f.o.b. plant prices are not available, use Chicago market prices and a "make" allowance of $8\frac{1}{2}$ cents.

Butterfat Differentials:

Class I - Chicago 92-score butter for the preceding delivery period times 0.14.

Class II - Chicago 92-score butter multiplied by 0.12.

Class III - Chicago 92-score butter less 6 cents, times 0.12.

Uniform Price - Weighted average of class price differentials.

Location Differentials:

None.

Method of Accounting for Milk:

Weight of skim milk and butterfat are accounted for separately. Upon completion of classification, the butterfat test of each class is determined.

Skim milk and butterfat caused to be delivered from a producer to another handler by a cooperative association shall be apportioned pro rata over the receiving handler's total utilization remaining after subtraction of emergency milk, "other source" milk, and receipts from other handlers (not including cooperative associations).

Type of Pool:

Market-wide, monthly pool without base rating.

Interhandler Transfers:

Milk moved as fluid milk, cream, or skim milk to another handler is classified as Class I unless the use of such milk or cream in a lower classification by the transferee (who is not a producer-handler) is indicated in writing to the market administrator. If either or both handlers have "other source" milk, the transfer must be classified to give producer milk the highest valued classification.

Outside Purchases:

"Other source" milk is deducted in series from each class beginning with the lowest priced class. "Emergency milk" is allocated in the same proportions as Grade A milk received from producers or other handlers. "Emergency milk" is milk permitted by the health authorities to be labelled "Grade A" and which is received from sources other than producers or handlers during delivery periods in which the market administrator determines that the handler's supply of Grade A milk is insufficient to fulfill his Class I requirements for Grade A milk.

Outside Sales:

Milk moved as fluid milk, cream, or skim milk to a non-handler is Class I milk; except that if the handler and non-handler indicate in writing to the market administrator a different classification, the milk may be classified accordingly, provided the non-handler had equivalent use of milk in the lower classification. Milk sold outside the marketing area is priced the same as milk sold in the marketing area.

Producer-handlers:

Handlers who distribute only milk of their own production are exempt from the regulatory provisions. Such handlers must own and assume personal risk for the management of dairy animals and other resources necessary to produce, process, package, and distribute milk.

Expense of Administration:

Handlers pay administrative costs not to exceed 3 cents per hundredweight on producer milk and on emergency and other source milk classified in Class I.

Special Producer Provisions:

Deductions, as authorized by members, are turned over to the cooperative associations. A marketing service charge not to exceed 6 cents per hundredweight is deducted for nonmembers.

Special Handler Provisions:

Pricing and pooling provisions of Quad Cities order do not apply to a handler who disposes of a greater portion of his milk as Class I in another marketing area subject to another Federal order. If the price required by the other Federal order is less than the Class I price under the Quad Cities order, the handler must pay the difference into the producer-settlement fund on all Class I milk which he sells in the Quad Cities market.

If a handler disposes of more milk than he accounts for in his receipts (overrun) the additional milk is allocated pro rata among the classes of use and then deducted in series beginning with the lowest priced class. A payment is made into the producer settlement fund on overrun at the applicable class prices.

FEDERAL MILK ORDER NO. 21

Springfield, Missouri

Marketing Area:

City of Springfield, Missouri.

Handler:

A person who operates an approved plant (i.e., one approved by city health authorities and from which milk either is disposed of as Class I in the marketing area or formally offered to other handlers during the period August through March.) or a cooperative association with respect to producer milk which it causes to be diverted from an approved plant to an unapproved plant.

Producer:

Person who produces milk under farm inspection permit and whose milk is delivered to an approved plant or whose milk is diverted from such plant.

Classification:

Class I - Fluid milk, skim milk, buttermilk, milk drinks (plain or flavored), cream (fresh or sour), and unaccounted-for milk.

Class II - All milk other than Class I, inventory variation of any Class I product, shrinkage of milk from producers up to 2 percent, and all shrinkage of "other source" milk.

Class Prices (3.5 percent butterfat):

"Basic formula" price - A "basic formula" price is used in determining the Class I and Class II prices. It is the higher of the following:

1. Average price paid during the delivery period for 3.5 percent milk at 23 condenseries, including the 18 specified in the Chicago order (see list) and 5 other plants as follows:

Carnation Co.,	Ava, Missouri
Carnation Co.,	Seymour, Missouri
Indiana Condensed Milk Co.,	Bunker Hill, Illinois
Litchfield Creamery Co.,	Litchfield, Missouri
Pet Milk Co.,	Greenville, Illinois

2. Price per pound of 92-score butter at Chicago for the delivery period times 1.20, times 3.5,

PLUS

3½ cents for each full ½ cent that the price per pound of nonfat dry milk solids (carlots, spray and roller process, human consumption, f.o.b. Chicago area plants) is above 5.5 cents.

Class I Price - "Basic formula" price for the preceding delivery period plus \$1.08 for July through December, 83 cents January through March, and 63 cents April through June, provided that during the months of July through March the Class I price shall be not less than the Class I price under the St. Louis order less 27¢.

Class II Price - "Basic formula" price.

Butterfat Differentials:

Class Prices -

Class I - Chicago 92-score butter for the preceding delivery period times 0.125.

Class II - Chicago 92-score butter for the delivery period times 0.120.

Producer Price - Chicago 92-score butter for the delivery period times 0.120.

FEDERAL MILK ORDER NO. 25

Puget Sound, Washington

Marketing Area:

The major cities involved are Seattle and Tacoma, but the defined area comprises the entire territory consisting of the following counties: the western portions of Whatcom and Skagit (District 2); the western portions of Snohomish, King, and Pierce, all of Thurston, and the southern portion of Grays Harbor (District 1), and the northeastern portion of Pacific and western portion of Lewis (District 3).

Handler:

Person who operates a pool plant or a non-pool plant from which Class I milk is distributed in the marketing area. A cooperative association is also a handler with respect to producer milk which it diverts from a pool plant to a non-pool plant.

Pool Plant:

Any plant approved by appropriate health authorities, other than that of a producer-handler, which is either:

(1) A "fluid milk plant," one located within the marketing area and from which Class I milk is distributed in the marketing area, or

(2) A "country plant," one which is not a "fluid milk plant" but is located within the marketing area, or one located outside the marketing area from which shipments for Class I purposes exceed 50 per cent during any month October through December, or 20 per cent during any month January through September, except that the latter requirement does not apply if the percentage was over 50 for the entire period of the preceding October through December.

Producer:

Person who produces milk in conformity with applicable health regulations, which milk is delivered to or diverted from a pool plant.

ST. LOUIS - ORDER NO. 3

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
14 FR 4775	7/30/49	Order, as amended
15 FR 1827	3/31/50	Amendment No. 4
15 FR 9427	12/30/50	Amendment No. 5
16 FR 12170	12/1/51	Amendment No. 6

BOSTON - ORDER No. 4

16 FR 9929	9/29/51	Order, as amended
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OKLAHOMA CITY - ORDER NO. 5

15 FR 1770	3/30/50	Order
16 FR 2782	3/30/51	Amendment No. 1
16 FR 11048	10/31/51	Amendment No. 2
16 FR 11049	10/31/51	Amendment No. 3

TULSA - ORDER NO. 6

15 FR 1829	3/31/50	Order
16 FR 2784	3/30/51	Amendment No. 1

MILWAUKEE - ORDER NO. 7

15 FR 7173	10/26/50	Order
15 FR 9428	12/30/50	Amendment No. 1
16 FR 3691	5/1/51	Amendment No. 2
16 FR 6339	6/30/51	Amendment No. 3
16 FR 10922	10/27/51	Amendment No. 4

DUBUQUE - ORDER NO. 12

14 FR 3226	6/15/49	Order, as amended
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KANSAS CITY - ORDER NO. 13

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
11 FR 14005	12/3/46	Order, as amended
12 FR 6426	9/25/47	Amendment No. 1
13 FR 7703	12/14/48	Amendment No. 2
10 FR 11050	10/31/51	Amendment No. 3

MEMPHIS - ORDER NO. 18

15 FR 6533	9/28/50	Order
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SPRINGFIELD, MISSOURI - ORDER NO. 21

16 FR 1225	2/9/51	Order
16 FR 12176	12/1/51	Amendment

DETROIT - ORDER NO. 24

16 FR 6341	6/30/51	Order
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PUGET SOUND - ORDER NO. 25

16 FR 3631	4/28/51	Order
16 FR 8816	8/31/51	Amendment

NEW YORK - ORDER NO. 27

14 FR 1466	4/1/49	Order, as amended
14 FR 3443	6/24/49	Order suspending certain provisions
14 FR 4746	7/29/49	Order suspending certain provisions
14 FR 7755	12/29/49	Amendment No. 1
15 FR 1067	2/28/50	Amendment No. 2

QUAD CITIES - ORDER NO. 44

<u>Citation</u>	<u>Date Published</u>	<u>Action</u>
13 FR 2285	4/28/48	Order, as amended
14 FR 2252	5/6/49	Amendment No. 3
16 FR 3276	4/14/51	Order suspending certain provisions
16 FR 12027	11/30/51	Amendment No. 4

LOUISVILLE - ORDER NO. 46

16 FR 8512	8/24/51	Order, as amended
16 FR 10050	10/3/51	Amendment No. 5

FALL RIVER - ORDER NO. 47

16 FR 10107	10/4/51	Order, as amended
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SIOUX CITY - ORDER NO. 48

12 FR 2079	3/29/47	Order, as amended
13 FR 9490	12/31/48	Amendment No. 2

